

JANUARY 1993

CANDIDATES FOR A PARTNERSHIP OPERATING IN THE BANKING SECTOR

A RESEARCH OF POTENTIAL PARTNERS
IN EUROPE, THE U.S. AND JAPAN

FOR

ALLDATA GmbH

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**Candidates for a Partnership Operating on the
Banking Sector**

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sale of 100,000

Introduction

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Introduction

A

Objectives

The overall objective of this study is to identify a group of active vendors in the fields of software and services in the banking and finance sectors and to check if they could be a suitable partner for Alldata Corp. (Alldata).

The research provides the profiles of companies and delivers a rating of the most interesting partners in which INPUT advises Alldata to concentrate its further investigation.

B

Scope and methodology

1. Scope

The scope of this study is covering Europe and particularly the U.K., Netherlands, France, the U.S. and Japan.

The 22 surveyed companies that are split between these countries as follows:

USA	: 8 vendors
Japan	: 2 vendors
France	: 7 vendors
Netherlands	: 1 vendor
UK	: 4 vendors

The selected companies might help the client to achieve the following goals:

- a) To open their business towards other services sectors (utilities, distribution, ...) in addition to banking

b) To serve existing German clients who are establishing new subsidiaries in countries outside of Germany

c) To find new software and other innovative products

Consequently, the candidates specifications used to select vendors are:

A) For European Countries

- Common interests in banking, finance and insurance (if possible)
- Activity in professional services
- Data center support for operations
- Company size of about \$100 million
- Coverage in Southern Europe (if possible)

B) For U.S. and Japan

- \$10 to \$100 million in annual revenues
- Interested in banking, finance and insurance (if possible)
- Banking and finance software products sold commercially
- Professional services capabilities

2. Methodology

The research schedule commenced with a meeting between Alldata and INPUT to confirm the study objectives and to plan its different phases that are:

- Phase One—Identification of about 20 suitable companies with delivery of a short profile.
- Phase Two—In depth profiles of 5 vendors selected among those analyzed during the prior phases.

Phase one started with giving Alldata a preliminary list of potential companies to interview. This list was followed by suggestions from the client to include Axime, SG2, Sligos, Logica, Getronics, BSO/Origin in the survey. These companies were included when possible.

Then, the design of a questionnaire, used to collect the information related to companies, was done.

The structure of this questionnaire is as follows:

Company Information

Name, address, telephone, fax
subsidiaries

Company Background

Name of holding cie, name of parent company, shareholders, foundation date

Key Executives**Financial Analysis**

Annual revenues, net result

Customer Revenues Analysis

By type of activity, by major country worldwide; by industry sectors covered

Description of Services Offerings

Characteristics of software and services provided

Details on the bank, finance and services sectors coverage, innovative products and UNIX expertise

Company Resources

Number of employees and data center facilities

Company Strategic Direction

Key orientations, details on existing partnership, importance of partnership

Overall Evaluation

A desk research was engaged inside INPUT vendors databases and existing files on the software and services industry in each country.

In addition to this questionnaire, telephone interviews with a key executive inside each of the selected companies were conducted in order to get a better understanding of vendors' motivations to liaise with a partner and their degree of opening.

C**Report Contents**

The report contains the profiles for 22 vendors with, at the end of each of them, INPUT's comments related to a future partnership.

This report and its conclusions will be synthesized during a meeting with the client planned in Germany at the end of January.



Profiles of U.S. Companies



COMPANY PROFILE

ADVANTAGE SYSTEMS, INC.

950 Winter St.
Suite 2100
Waltham, MA 02154
Tel: (617) 890-2400

Company Background

- Subsidiaries, Parent
 - There is no parent.
- Ownership, exchange, shareholders
 - Private

Key Executives

CEO, president, marketing head

President & CEO: Joseph H. Bayne

Chairman: Kevin McCafferty

COO and Head of Sales: Lester Goldstein

Performance

- Revenue
 - About \$8 million. Positive income
- Customer revenue analysis
 - Geographic 100% U.S.
- Delivery modes
 - About 75% software products; 25% professional services
- Vertical markets
 - Over 95% banking with business in insurance, petroleum and other corporations.

- Software products

Product Description

FORTE - Cash management, balance monitoring, funds concentration, rate information, and transaction input system for corporate customers that are used by a large number of the largest commercial banks. Runs on Stratus computer.

Global File Transfer - Can operate with FORTE, or alone, to offer fully automated exchange of financial information between computers.

Netpay - Complete EDI, EFT and ACH system that runs on MS-DOS or OS/2 workstations, or on IBM mainframes under MVS. System supports payment collection and origination, and handles various types of electronic payments.

- Other

Innovation - Has successfully run DB2 and CICS development with PCs using OS/2 and then moved the work to mainframes.

UNIX capability - Considering the use of UNIX for highly secure payment instructions. Has staff knowledge of UNIX.

Company Resources

- Total employees
 - 65
- Data center capabilities
 - Have internal workstation/PC units and an arrangement to use IBM mainframe system.

Strategic Directions

The company is expanding its banking products to include bank customers in other markets. It is also interested in finding the means to sell its software products and capabilities in other countries.

- Key orientations

The company offers strength in new areas of the banking and financial services market concerned with electronic means of transferring or reporting funds that are of interest to corporations in a number of industries, particularly insurance and petroleum.

- Alliances and partnerships
 - None
- Evaluation of company's interest in partnering
 - Very interested in exploring possibilities.
- Rating of interest
 - Very good
- Willingness to license
 - Good
- Willingness to port products
 - Good
- Interest in codevelopment of new/enhanced products
 - Very good
- Interest in agent or distributor arrangements
 - Good

Overview

Company is very interested in marketing their banking software products in Europe and representing products for the insurance industry because they now have a product for that industry. They would also be very interested in co-development. They have impressive workstation capabilities, access to an IBM mainframe computer to support some products and nationwide sales that make effective use of telemarketing as well as sales personnel.

COMPANY PROFILE

ARKANSAS SYSTEMS, INC.

8901 Kanis Road
Little Rock, AR 72205
Tel: (501) 227-8471

Company Background

- Subsidiaries, Parent
 - None
- Ownership, exchange, shareholders
- Private Corp

Key Executives

CEO, president, marketing head

CEO/president: Dr. James K. Hendren

VP Sales: L. Hurston Anderson

Director Int'l: G. Blalock

Performance

- Financial analysis
 - Revenue: \$9-10 million.
- Customer revenue analysis
 - Geographic: 70% U.S., 30% foreign (little in Europe)
- Delivery modes
 - 75% software products, 25% professional services
- Vertical markets
 - Banking and finance 75%
 - Retail distribution 15%
 - Medical 5%
 - State % local govt. 5%

- Software products

Product Description (Selections from over 35 products)

CICS/400 - Migration tool that converts mainframe (IBM 370) COBOL to AS/400 programs

WCNS (network software products) - Telecommunication switch products to support LAN, WAN and larger networks that run on AS/400s.

Flexi-Net - Support for ATM and POS devices and EFT Networks that allows AS/400s or mainframes to be front ends or distributed nodes in a larger network.

Flexi-Check - Support for selected check applications including data capture, sorting, cycle sorting and account analysis.

Flexi-Remittance - Full featured remittance processing that works with high-speed document processors and AS/400 architecture.

Flexi-Node - Provides a remote node capability for on-line banking systems that supports ATMs, teller terminals, readers/sorters and office automat.

Telephone - Support for on-line terminal Business Banking Inquiry or transaction origination System from a touchtone phone.

Tele-Banking - Provides 24-hour account inquiry System via telephone for mainframe, AS/400 and s/3x computers.

Personal Trust Accounting System - On-line multi-bank system for trust processing, coupon handling and accounting for mainframe, AS/400 and s/3x computers.

Teller Terminal - Provides on-line communications between an IBM system and teller terminals.

- Other

Innovation - Tools to aid conversion to AS/400 use and development of network application systems.

UNIX expertise - Limited or none

Company Resources

- Total employees
 - 120
- Data center capabilities
 - 1 IBM 9370
 - 2 IBM AS/400s
 - 1 IBM System 34
 - 3 IBM System 36s
 - 40 IBM PCs

Strategic Directions

Development of strength in banking application systems and network and other capabilities that can support sale of products and services in banking and other markets.

- Key orientations:

Support of AS/400 in banking environment through application and system software products and professional services.

- Alliances and partnerships
 - None
- Evaluation of company's interest in partnering
 - Possible: the company wants to expand marketing opportunities for its products in Europe.
- Rating of interest
 - Not too bad
- Willingness to license products
 - Not too bad
- Willingness to port products
 - Not too bad
- Interest in codevelopment of new/enhanced products
 - Have the ability, but the willingness is in question, unless a definite opportunity is encountered.
- Interest in agent or distributor arrangements
 - Uncertain

Overview

This company has AS/400 software products that support a number of banking applications as well as network applications and migration from IBM mainframes to the AS/400. These products and professional services have been sold to banking and several other markets. There is some interest in opportunities to sell products overseas or participate in other types of alliances.

COMPANY PROFILE

THE BISYS GROUP, INC.

150 Clove Road
Little Falls, NJ 07424

Company Background

- Subsidiaries, Parent
 - None
- Ownership, exchange, shareholders
 - Public Corp., NASDAQ

Key Executives

CEO, president, marketing head

Lynn Mangum: Chairman and CEO

Paul H. Burke: President and COO

Robert Jones: Senior Vice Pres. (person to contact)

Performance

- Financial analysis
- Revenue
 - Above \$65 million for CY 1992. Net results were near break-even for 1992; the company split off from ADP in 1989.
- Customer revenue analysis
 - Geographic 100% U.S. with customers in 31 states.
- Delivery mode
 - BISYS provides transaction processing services, including services that can be carried out at the client site. The site services and software products utilized to serve clients might be of interest.
- Vertical market
 - Banking, including thrift institutions and commercial banking clients.

- Software product

The software products utilized to provide processing services by BISYS handle the following:

At a BISYS center:

- Customer information file management
- Loan services
- Deposit services
- Electronic banking services
- Financial management services
- Transaction and data management

At a customer site:

- Automated branch
- Loan management
- Marketing and sales
- Check processing
- Teller operation
- Financial reporting and analysis

- *Other*

- Nationwide mortgage and real estate loan servicing is also provided.

Innovation - Workstation based loan processing and document preparation is available. Voice response service provided from centers for various locations.

UNIX expertise

- Limited

Company Resources

- Total employees:
 - About 640
- Data center capabilities
 - There are 5 data centers with IBM mainframes.

Strategic Directions

Provide a full set of services for small and midsize (up to \$500 million in assets) banks as well as services that institutions up to \$2 billion in assets can utilize.

- Key orientations

Achieve rapid growth and revenue in the banking market chiefly by means of the provision of processing services and acquisition of firms.

- Alliances and partnerships
 - None at present other than investment positions
- Evaluation of company's interest in partnering
 - Would be willing to consider various arrangements.
- Rating of interest
 - Not too bad
- Willingness to license
 - Would require review and discussion.
- Willingness to port products
 - See above
- Interest in codevelopment of new/enhanced products
 - Not too bad.
- Interest in agent or distributor arrangements
 - Not too bad.

Overview

This vendor acquired the transaction processing service for thrifts and other retail banking clients formerly run by ADP. The company is aggressive and might be interested in arrangements to sell software products elsewhere or participate in other types of alliances. However, there are questions as to which of the software products used for processing could be sold elsewhere.

COMPANY PROFILE

BROADWAY & SEYMOUR

128 South Tryon St.
Charlotte, North Carolina 28202
Tel: (704) 372-4281

Company Background

- Subsidiaries, Parent
 - There is no parent. The company has acquired National Systems Group, BankSystems Co., Heebink Group, National Financial Computer Systems, Inc. and Trust Systems in the recent past.
- Ownership, exchange, shareholders
 - Public

Key Executives

CEO, president, marketing head

CEO: Olin H. Broadway
President : William W. Neal

- Financial analysis

Performance

- Revenue
 - Over \$60 million. Net income about \$4 million
- Customer revenue analysis
 - Geographic 100% U.S.
- Delivery modes
 - About 35% consists of software products; the rest (65%) includes systems integration, professional services, processing and systems operations (outsourcing) services.
- Vertical market
 - Banking and finance 100%

- Software products

Product Description

Liberty System - Fully integrated modules for community and thrift banks handling DDA, proofing, loan accounting, general ledger, asset/liability management, maintenance of customer information files and other functions. These software products, which run on the AS/400 or S/36 computer, can be sold to or operated for customers at their sites or at Broadway & Seymour centers.

AMtrust - Trust management and securities processing software products that run on IBM mainframe computers. These products also handle money- market and real-estate management

BANCstar - A workstation based software product that facilitates the development of branch banking platform and teller automation.

- Other

Innovation - Expertise in graphical user interfaces, object oriented programming, CASE, relational database, cooperative and distributed processing and imaging technology.

UNIX expertise - Staff experience

Company Resources

- Total employees
 - 350
- Data center capabilities
 - Three data centers that handle processing work on AS/400 systems. They also have IBM mainframe systems available.

Strategic Directions

The company wants to take advantage of the need for improved banking services during this time of heavy consolidation and competition in the banking industry.

- Key orientations

The company offers a broad range of services and products to the banking and financial services industry and tries to leverage sales into the use of additional sales in the future.

- Alliances and partnerships
 - None that the company will discuss.
- Evaluation of company's interest in partnering
 - There could be interest.
- Rating of interest
 - Not too bad
- Willingness to license
 - Not too bad
- Willingness to port products
 - Uncertain
- Interest in codevelopment of new/enhanced products
 - Not too bad
- Interest in agent or distributor arrangements
 - Not too bad

Overview

This company has a wide range of banking products and a record of rapid growth. In addition to AS/400 software products, the company has IBM mainframe software products and substantial experience in professional services. The company could be reluctant to venture outside of the banking market, but there is interest in arrangements that could lead to sales of its software products elsewhere.

COMPANY PROFILE

COMPUTROL

600 Kellwood Parkway
Chesterfield, MO
Tel: (314) 576-3412

Company Background

- Subsidiaries, Parent
 - None
- Ownership, exchange, shareholders
 - Privately held company

Key Executives

CEO, president, marketing head

President: Robert E. Parks

VP Marketing/sales: Lucy Kissel

Performance

- Financial analysis
- Revenue
 - \$7-8 million. Net income positive
- Customer revenue analysis
 - Geographic. Has been 100% U.S.
- Delivery modes
 - Chiefly software products; the rest are in professional services.
- Vertical market
 - Banking and finance 100%

- Software products

Product Description

CIF System - Customer information system that provides consolidation and profitability reporting on retail bank customer accounts across multiple branch banks. It runs on IBM mainframes. A customer and product profitability system is also provided as a separate product.

CSS System - Customer statement system that provides the capability of combining multiple types of activity for retail bank, mutual fund or discount broker customers. The statements can be formatted to meet customer requirements. The system runs on IBM mainframe computers.

Consumer Cash Mgmt. - Consolidates investments of customers and permits transfers of funds. Provides interfaces to investment, brokerage, mutual fund and credit/debit card accounts (cash management account capability).

Integrated Invest. - System that supports account processing and reporting for deposit products and non-bank investments. Runs on IBM mainframe.

ESM - Enterprise system management, a general integrated banking capability that runs on a mainframe.

- *Other Innovation* - Has a system called BASE that provides a general approach (re-engineering) for system development, which is well suited to banking and financial applications.

UNIX expertise - *None*

Company Resources

- Total employees
 - 70
- Data center capabilities
 - IBM mainframe

Strategic Directions

The company is interested in providing a more current approach to retail banking suitable for large or mid-sized institutions that are interested in customer information, profitability and investment products.

- Key orientations

The company offers a broad range of services and products for larger retail banks.

- Alliances and partnerships
 - None that the company will discuss.
- Evaluation of company's interest in partnering
 - There is guarded interest
- Rating of interest
 - Uncertain
- Willingness to license
 - Might be considered
- Willingness to port products
 - Might be considered
- Interest in codevelopment of new/enhanced products
 - Not too bad
- Interest in agent or distributor arrangements
 - Uncertain

Overview

Although smaller than other candidates, this company has an extensive set of mainframe banking applications for the retail banking market and professional services capabilities. There is interest in alliances that could promote the company's products overseas.

COMPANY PROFILE

COMTEX SYSTEMS, INC.

40 Broad St.
NY, NY 10004
Tel: (212) 480-2600

Company Background

- Subsidiaries, Parent
 - None
- Ownership, exchange, shareholders
 - Private Corp. Welsh Carson has minority share.

Key Executives

CEO, president, marketing head

Chairman, CEO, president: Michael C. Mullins (contact)

Executive VP Operations: Arthur P. Haverty

VP Marketing and Sales: Steven Draper

Performance

- Financial analysis
- Revenues
 - Approximately \$25 million, positive net income
- Customer revenue analysis
 - Geographic: All or almost all U.S.
- Delivery modes:
 - Software products for the banking industry and professional services sold primarily to banking and finance insurance clients. The software products are responsible for 10% to 20% of revenue.
- Vertical market
 - Over 60% of revenues are from the banking and finance market.

- Software products

Product Description

Accutran - Money transfer system for CHIPS, Fedwire, SWIFT, telex, phone and fax with intraday risk management capabilities. Runs on DEC VAX.

PC Search - Enables searches to be made on money transfer input preparation to review accuracy, productivity and quality. Runs on MS-DOS workstation.

Switchware - Product that supports development of high-volume message switching applications for money transfer or other functions. Runs on DEC VAX.

- Other

Innovation - Developing MS-DOS workstation products to meet client/server and downsizing needs in banking.

UNIX expertise - Have performed professional services assignments that developed UNIX based systems.

Company Resources

- Total employees
 - Over 130 full-time
- Data center capabilities
 - Utilize VAX capabilities, but have access to IBM mainframe.

Strategic Directions

Want to develop software products and/or services that could be sold in other areas of the country.

- Key orientations

At present, to provide software products and services for the banking and finance industry, chiefly, but also to provide services to other industries when justified.

- Alliances and partnerships
 - Arrangements with several customers to promote services that could gain revenues for both.
- Evaluation of company's interest in partnering
 - Would consider opportunities that made use of company strengths.
- Rating of interest
 - Good
- Willingness to license
 - Good
- Willingness to port products
 - Not too bad
- Interest in codevelopment of new/enhanced products
 - Not too bad
- Interest in agent or distributor arrangements
 - Not too bad

Overview

Aggressive company with strengths principally in the Northeast, but with sales to many leading banking and financial institutions. More strength with professional services than software products. Sales to insurance companies and other non banking market segments. Would be interested in European opportunities.

COMPANY PROFILE

JACK HENRY & ASSOCIATES, INC.

PO Box 807
West Highway 60
Monett, MO 65708
Tel: (417) 235-6652

Company Background

- Subsidiaries, Parent
 - None
- Ownership, exchange, shareholders
 - Public Corp. NASDAQ

Key Executives

CEO, president, marketing head

Chairman: John W. Henry (person to contact)
CEO/President: Jerry D. Hall
VP Marketing/Sales: William Caraway

Performance

- Financial analysis
- Revenue
 - \$20-25 million, Positive earnings
- Customer revenue analysis
 - Geographic: Mostly in U.S.
- Delivery modes
 - Over 70% software products, rest is professional services
- Vertical market
 - 100% banking

- Software products

Product Description

CIF 20/20 - Integrated banking applications for retail banks, including thrifts and savings and loan institutions. Includes CIF, demand deposit, savings, ACH, account reconciliation, and accounting functions. Runs on AS/400 and system 36 equipment.

SilverLake - Applications that can be obtained separately or integrated for CIF and other retail banking functions including equity lines of credit, mortgage and IRA accounts. Runs on AS/400.

- *Other* - High level of retail banking knowledge.

Innovation - Up to date retail bank capabilities.

UNIX expertise - None, investigating.

Company Resources

- Total employees
 - 120
- Data center capabilities
 - AS/400 and S/36 equipment. Have access to other systems.

Strategic Directions

Growing rapidly based on further penetration of the community; thrift and retail banking market in general.

- Key orientations
 - AS/400 software products for retail banking.
- Alliances and partnerships
 - None
- Evaluation of company's interest in partnering
 - Possible. Could be interested in opportunities.
- Rating of interest
 - Not too bad.

- Willingness to license
 - Not too bad.
- Willingness to port products
 - Not too bad.
- Interest in codevelopment of new/enhanced products
 - Not too bad.
- Interest in agent or distributor arrangements
 - Uncertain

Overview

Successful company with thrift and other retail banking software products and strong professional services including AS/400 capabilities. Some interest in exploring opportunities particularly for selling their products elsewhere.

COMPANY PROFILE

KIRCHMAN CORPORATION

PO Box 2269
Orlando, FL 32802
Monett, MO 65708
Tel: (487) 831-3001

Company Background

- Subsidiaries, Parent
 - There is no parent.
- Ownership, exchange, shareholders
 - Privately held.

Key Executives

CEO, president, marketing head

President: Kenneth P. Kirchman
Senior VP: Rachel A. Landrum
VP Sales: Gary Rogers

Performance

- Financial analysis
- Revenue
 - About \$35 million. Positive income
- Customer revenue analysis
 - Geographic: Mostly U.S.
- Delivery modes
 - About 85% in software products; 15% in professional services
- Vertical market
 - 100% banking

- Software products

Product Description

Dimension 2000 - Fully integrated, retail banking system for banks with assets under \$400 million. Includes loan and deposit systems, CIF, IRA accounting, automated-teller functions, reporting and GL system in RPG source code. Runs on AS/400. Over 250 installed.

Dimension 3000 - Fully integrated, retail banking system for banks with assets between \$400 million and \$2 billion. Includes loan and deposit systems, CIF, IRA accounting, automated teller functions, regulatory and customer reporting, holding company consolidations and GL systems. Has COBOL source code and runs on AS/400. About 145 installed.

Dimension 4000 - Similar to system described above and also includes asset/liability, ACH, ATM payroll/personnel and other functions. Intended for banks with assets over \$2 billion. Uses COBOL source code and runs on IBM mainframe. About 180 installed.

- *Other*

Innovation - Has successfully divided up the banking market into classes of needs that can be addressed with three offerings of software products.

UNIX capability - None. Has limited staff knowledge.

Company Resources

- Total employees
 - 350
- Data center capabilities
 - Has IBM mainframe and AS/400 capabilities.

Strategic Directions

Kirchman wants to have sets of application systems products that can address as much of the U.S. banking market as possible.

- Key orientations

The company attempts to meet as many of the ongoing needs of U.S. banks as possible with IBM hardware and software products that have been popular in banking.

- Alliances and partnerships
 - None. Would not confirm that there were any possibilities.
- Evaluation of company's interest in partnering
 - Not enthusiastic
- Rating of interest
 - Not too interested, but did not close the door.
- Willingness to license
 - Uncertain
- Willingness to port products
 - Uncertain
- Interest in codevelopment of new/enhanced products
 - Would need more details
- Interest in agent or distributor arrangements
 - Uncertain

Overview

Company has a considerable reputation in the banking industry and should be considered in relation to its size, sales capability and products, but there is a reluctance to share information or express interest in joint activities.



Profiles of Japanese Companies



COMPANY PROFILE

COMPUTER APPLICATIONS CO., LTD

Hitotsubashi Center Bldg.
2-4-6, Hitotsubashi, Chiyoda-Ku, Tokyo 101, Japan
Tel: 03-3263-7241
Fax: 03-3263-4873

Company Background

Subsidiaries:

- Suri-Keikaku Co., Ltd.
Tokyo, June 1967
- Nippon Systems Services Co., Ltd.
Tokyo, September 1968
- System Utility Co., Ltd.
Tokyo, October 1973
- Computer Applications (America) Co. Ltd.
New York, September 1989
- Computer Applications (Europe) Company Ltd.
London, November 1990

Shareholders:	Percentage
Shougakukan Publishing Company:	30
Employees's Share Holding Committee:	30
Management:	30
Banks:	10

(Shougakukan is a magazine publishing company. It has never been involved in CAC's management)

Foundation date: August 8, 1966

Key Executives

Name of President: Mr. Masaru Hamamoto,
CEO: Mr. Shigeru Okubo (chairman, founder),
Marketing or business development director: Mr. Yusaku Watanabe, Senior executive vice president, International sales director: Mr. Yutaka Yamanchi, vice president, Corporate Management Dept.

Financial Analysis

Figures in Billions of Yen

	1990	1991	Est 1992
Annual revenues	10.9	10.7	11
Net result	0.9	0.4	0.3

The reason why the revenue declined in 1991 was because CAC changed the accounting system from a progress basis to a completion basis for the revenue calculation. CAC is now preparing to go public in 1994 or 1995.

Customer Revenues Analysis

By type of activity or delivery modes

- System Integration 40%
- Professional services
(includes application maintenance) 55%
- Software products 5%

By major country worldwide

- Domestic 100%

By type of industry sectors covered

- Financial sector 60%
- Pharmaceutical 15%
- Manufacturing and distribution 25%

Description of Services Offerings

Raw characteristics of services and products of interest

- Professional services
 - SI and professional services occupy 95% of the total revenue. CAC's goal is to provide total solutions.
- Processing and SO
 - CAC's subsidiaries Nippon System Services and System Utility are responsible for those functions. However, CAC has set up a new division called "Desktop Services Div." under IT Integration Dept., which will be effective on 1/1/93.
- Coverage of bank, finance and services sectors
 - Biggest sector for CAC. The company has a strength in developing foreign exchange trading systems and bond management systems.

- Software products
 1. Plasma
System maintenance tool for Cobol based systems
Runs on various UNIX workstations
 2. Foreign Exchange System
It supports all functions of foreign exchange process including import/export process. The system that had been developed for a bank was modified to a product
 3. Bond Management System
It supports all processes from the issue of bonds to payment of principal interests. It runs on IBM AS/400.
- Innovative products
 - Plasma is an innovative product . It was awarded an excellent product from the AI association that is a Japanese organization. It is utilizing reverse engineering technology.
- UNIX expertise
 - About 35% of the recent projects are downsizing projects. CAC has completed 29 downsizing projects recently, and 13 projects were Unix based systems. CAC has a good expertise Unix-based system development. Those projects include global financial system, trading system and production control system.

Company Resources

Total number of employees: 730
Data center facilities:
CAC: Vax 6000, Vax 4000, AS/400,
Nippon System Services: IBM 9370

Company Strategic Direction

Key orientations

Corporate policies are as follows:

1. To provide customers truly user-oriented systems.
2. To take full responsibility for system development from analysis and planning to implementation.

3. To maintain independence from computer manufacturers.

Recently, CAC has been trying to develop strengths in other industry sectors instead of the financial and pharmaceutical sectors. It is also shifting resources from mainframe-based system development to downsizing environment. The reason why CAC has pharmaceutical industry expertise is because CAC and its subsidiary (Nippon-System Services) have taken a full responsibility for system development, operations and maintenance for Yamanouchi Pharmaceutical Company, which is one of leading pharmaceutical companies in Japan since 1971. Yamaniuchi has no IS division.

Details on existing partnership

1. Manager Software Products Inc. (U.K.)
CAC is selling its product, Datamanager to Japanese companies.
2. Global Software, Inc. (U.S.)
CAC is selling its products that are related to the Datamanager of Japanese companies.

Japanese software products that are sold well in the U.S. and in Europe are only games. In general, Japanese information services companies are interested in importing software from the U.S., or Europe, rather than in exporting their products because the products were developed only for domestic use and have no competitiveness in the U.S. or Europe. CAC has never tried to sell their products in the U.S.

Importance of partnership

CAC has two small offices in the U.S. and in U.K. to support its Japanese customers' overseas operations. CAC wants to strengthen its global support capabilities. Also, it wants to develop strengths in more sectors than financial and pharmaceutical.

Many Japanese banks have branches in Holland and Germany. CAC is now supporting them from its London office. Furthermore, CAC is considering the need for a pharmaceutical partner in Germany.

Overall Evaluation

Rating of company's interest to find a new partner (***)

If the client's interest remains just in packaged products, INPUT would like to recommend that the client stop looking for a partner in Japan. INPUT believes that a client can find benefits in other areas such as processing and professional services to support clients of both parties.

Many Japanese information services companies have suffered a significant damage due to the collapse of the bubble economy, especially in the financial sector. Although CAC depends largely on the financial sector, the company could lower the damage to a minimum. CAC's management style is very steady. CAC was selected as one of leading systems integrators by MITI, following NTT Data and Nomura Research Institute.

COMPANY PROFILE

SOFTWARE RESEARCH ASSOCIATES, INC.

1-1-1 Hirakana-cho, Chiyoda-ku, Tokyo 102 Japan

Tel: 03-3234-2611

Fax: 03-3262-9719

Company Information

Subsidiaries:

- SRA America Inc.
New York, November 1984
- SRA (Europe) B.V.
Amsterdam, June 1990
- 8 Domestic Subsidiaries
Two foreign subsidiaries were set up to support foreign offices of its Japanese clients.

Company Background

Shareholders: Mr. Ryugo Marumori 45%

Foundation Date: November 20, 1967

Key Executives

Name of President: Mr. Ryugo Marumori (founder)

CEO: Mr. Ryugo Marumori

Marketing or business development director: Mr. Shingiro Araki, Director

International Sales Director: Mr. Yoshinori Suzuki, Senior Executive Vice President

Financial Analysis

Figures in Billions of Yen

	1990	1991	Est 1992
Annual Revenues	22.2	19.1	17
Net result	0.4	0.1	0.1
(fiscal year-end: March 31)			

Customer Revenues Analysis

By type of activity or delivery modes

- System Integration 10%
- Professional services 56%

- Systems operations 12%
- Sales of hardware (workstations) 22%

By type of industry sectors covered

- Financial sector 50%
 - Utility 10%
 - Computer manufacturers 8%
 - Manufacturing and others 32%
- Domestic 100%

Description of Services Offerings

- Professional services
 - SI and professional services occupy 66% of the total revenue
- Processing and SO
 - Only this division has been growing in recent years (about 15% increase).
 - SRA has got two desktop services projects from universities recently.
- Coverage of bank, finance and services sectors
 - About 50% of the revenue come from the financial sector. SRA can cover all systems of a bank.
- Software products
 - SRA is selling American products after Japanization and modification.
 - SRA has no significant product developed by itself.
- UNIX expertise
 - SRA introduced UNIX into its internal system in 1980. SRA was the first commercial user in Japan. Now, SRA is one of the leading vendors of Unix-based client/server models development in Japan.

Company Resources

Total number of employees: 1240

Data center facilities: DEC VAX611/785

SRA provides systems operations at a professional service type.

Company Strategic Direction

Key orientations

1. To provide total solutions or full services.
2. To focus on system development of distributed systems or client/server models.

Details on existing partnership

SRA is selling software products of several American vendors after Japanization, and also, SRA has joint ventures with IBM and AT & T in Japan respectively.

Importance of partnership

SRA's interest in partnering with a German company rests just in software products to be sold in Japan. SRA wants to support overseas operations of its clients by itself through its subsidiaries.

Overall Evaluation

Rating of company's interest to find a new partner:

SRA wants to make relationships with European companies for software products to be sold in Japan.



Profiles of European Companies



COMPANY PROFILE

AXIME GROUP

137 boulevard Voltaire
75012 Paris
Tel: (1) 40-09-33-00
Fax: (1) 43-56-26-02

Company Information

Axime was founded in 1990. It is the result of the merger between the French companies FITB, Segin and Sodinfor (FITB is the holding company of SITB and Ageris companies).

Other subsidiary: Altek, a company specialized in the direct marketing activity.

With consolidated revenues of about FF 2.2 billion, Axime claims to be the third largest Software and Services vendor in the French market.

Company Background

Shareholders:	Percentage
Public:	25.18
Paribas-Crédit du Nord:	34.95
Banexi (BNP):	4.02
Defi:	10.86
Pole Ch. Marchandise:	20.3
Pasquier Informatique (Générale des Eaux):	4.69

On January 15, Générales des Eaux took over 20.3% shares of Pole Ch. Marchandise.

Key Executives

Name of President: B. Bourigeaud who is also the managing director
Marketing Director: Mrs. Corinne Hebert
International Sales Director: B. Bourigeaud

See organization chart below:

B. Bourigeaud
President

Data Processing and FM Engineering and Systems Integration

Segin, SITB/Ageris
(J.L. Lenard)

(J.P. Rossiensky, Ch. Chevalier)

International

Direct marketing

ODS (Spain)
Axime (Belgium)
Axime GmbH (Germany)
Segin (Italy)

Altek
(P. Bono)

Financial Analysis

Revenues in Millions of French Francs

	1989/90	1990/91	1991/92
Annual Revenues			
FYE June	N/C	2145	2160
Net result	-	< 0	< 0
SEGIN			894 MF
SITB/Ageris			646 MF
Altek			235 MF
Axime Engineering			254 MF
Sesame			82 MF
International			49 MF

Customer Revenues Analysis

By type of activity or delivery modes

- Processing and FM 1 404 MF (65%)
- Engineering and SI 518 MF (24%)
- Direct Marketing 238 MF (11%)

By major country worldwide

- France 97%
- Foreign countries 3%

By type of industry sectors covered

- Banking/Finance/Insurance 1,404 MF (65%)
- Communication/Media 302 MF (14%)
- Industry/Services/Misc. 195 MF (9%)
- Distribution/Direct Mail 130 MF (6%)
- Transport 86 MF (4%)
- Administration 43 MF (2%)

Description of Services Offerings

- Professional services
 - Engineering and Systems Integration
 - Information System Interbank Networks (SIMON: a national plastic money information system)
 - Monetics
- Processing and SO
 - Check and bank giro transfer processing
 - Clearing operations
 - Logging and processing of cards (2 processing centres)
 - Electronic payment terminals
 - FM in banking and finance and also in manufacturing and services sectors
- Software products
 - Solutions to manage all banking and stock market operations
 - Solutions to automate and ensure integrity of data interchange
- Innovative products
 - Monetics
 - Telematics and videotex applications for banking, transportation, insurance, distribution, manufacturing, publishing sectors,
- UNIX expertise
 - Full competences

Company Resources

Total number of employees: 3,250
Data center facilities: mainframes IBM,
700 Mips 120 GB, 500 transfix lines, 8000 videotex access lines, 1,000
audiotex access lines.

Company Strategic Direction

The strategic objectives of Axime can be summarised as follows:

- To become the French leader of specialised services within the financial market (banking, finance and electronic transfer of payment) and telematics,
- To develop the insurance sector,
- To develop the FM in manufacturing industry sector and enhance the system integration activity,
- To become a company with an European size.

Groupe Axime claims to be the French leader in provision of computer engineering services to the banking sector.

Currently, Axime does not have a significant presence outside France. Only 3% of 1991 reported revenues come from international business — in spite of subsidiaries in Spain, Belgium, Germany and Italy.

Details on existing partnership

There is no significant partnership except with customers.

Overall Evaluation

Interest to find a new partner (**)

According to the Axime executive whom INPUT met, the opportunity to develop a partnership with a German company would be a positive step for Axime.

COMPANY PROFILE

DIAGRAM

16 rue du Dome
92100 Boulogne
Tel: (1) 49-10-87-00
Fax: (1) 49-10-87-30

Company Background

Formerly named SCBF, the company was founded in 1987. Today, Diagram is held by France Telecom (74%) through its subsidiary FTLIS (a France Telecom subsidiary created to hold participations in several computer services companies) and by Crédit Lyonnais through its subsidiary called Altus Finance (26%).

Diagram is among the top 20 French major computer services companies dedicated to the banking/finance applications with software packages, processing and network services.

In addition to its French operations, the company has a strong foreign presence with banking and insurance products and services. Two-thirds of the revenues comes from its European subsidiaries that are located in Italy, Spain and Switzerland. The company has offices in the U.K. and Belgium.

Key Executives

Name of President: Michel Huet, he is also the president of FTLIS
CEO: The managing director is Philippe Malaise
Philippe Ancelin is co-managing director and takes in charge the international operations.

Financial Analysis

Consolidated figures in Millions FF

	1990	1991	Est 1992
Annual Revenues	589	651	590
Net result	N/A	N/A	N/A

The domestic revenue was 185.3 MF in 1990 and 205.3 MF in 1991.
The international revenue was 403.6 MF in 1990 and 445.8 MF in 1991.

For 1992, the estimated revenue breakdown is:

France	: 140 MF
Italy	: 247 MF
Spain	: 162 MF
Switzerland	: 3 MF
U.K. office	: 10 MF
Belgium office	: 30 MF

Customer Revenues Analysis

The type of activity depends on the country where the company operates. Three types of activities are currently handled: Software packages, processing and network services. The breakdown per type of activity and per country is as follows:

	France	Italy	Spain	Switzerland/UK/Belgium
Software packages	100%	8%	19%	100%
Processing	-	80%	69%	-
Networks	-	12%	12%	-

Diagram operates mainly in the bank/finance sector. Very little business is done in the insurance sector and in distribution.

Description of Services Offerings

The types of activities are as follows:

In Italy and Spain, the professional services are based on "Telecompensation" software package and on a health insurance package.

The networking services are proposed in France and in Eastern Europe (a few bids).

The processing activity concerns mainly the check treatments.

Processing services are proposed in the Real Estate Sector in Switzerland. The software products catalog is based on software packages for the stock securities market and for the retail/wholesale industry.

In Spain, the company offers a database software for bad debtors.

Diagram declares to have a full expertise in the UNIX environment.

Company Resources

	1991	1992
Total number of employees	1,275	980

The company reports to have no Facilities Management services. Thus, they have no data center platform for this activity.

Company Strategic Direction

Key orientations

The company wants to reinforce its activity in the Pan-European networks and interconnection services for the bank/finance sector in 1993. Among the other objectives would be also to find a partner in Germany for marketing their products and services.

Details on existing partnerships

As most of their competitors, Diagram has technical and commercial agreements with a few large customer groups and computer services companies. They have technical partnerships in France and in Italy. Their French manufacturing industry partners are groups such as L'Oreal or Pechiney.

They are in progress to sign an agreement with Sema Group in the U.K. to operate together in vertical markets. So far, they have no partnership in Germany, but they are looking for one.

Overall Evaluation (rating ***)

Considering the declared will of the executive with whom INPUT spoke to find a partner in Germany, there is a fair opportunity to a more in-depth investigation on Diagram's strategy and analysis of "what" the company expects from a German partner.

COMPANY PROFILE

GC2I

5 rue Piliers de la Chauvinière
44805 Saint-Herblain Cédex
Tel: (16) 40 67 48 00

Company Background

GC2I was founded in 1983 as a GIE (Groupement d'Intérêt Economique) by 7 banks issued from the Banques Populaires group.

The purpose of this organization was to pool their information systems resources with a dedicated budget. Therefore, GC2I was not a real commercial company with objectives of revenues and profits.

Thus, the organization had only captive clients (the GIE members) when it started. Today, the banks' members still represent an important share of the activity, and GIE has opened its activity to outside customers that are all banks (Banques Populaires d'Alsace, GMF Banque, ...).

In 1992, the total budget was estimated to 378 million French Francs. A very small part is coming from commercial activity (18 MF).

The company has a very small international activity (less than two million Francs). These bids are only coming from a deals that were concluded in Russia.

Subsidiaries:

GC2I owns one other office in Lyon.

Key Executives

The General Administrator is Mr. Patrick Gibou.

Mr. Depresle is the marketing and business development director.

Financial Analysis

Figures in Millions of French Francs

	1990	1991	Est 1992
Annual budget	380	378	378
Net result	N/S	N/S	N/S

Customer Revenues Analysis

The products are made of 70 software packages issued to French banks front-office management and customers accounting management.

The professional services represented 95 million FF in 1991, the processing services represented 177.5 million FF (corresponding to 1.6 million customer accounts) and the software products 106 million FF.

The company does not offer any Facility Management service, nor any System Integration service. It has no UNIX environment expertise.

The GC2I strategy is to offer standard products. They never offer specific software developments to their members or customers.

Company Resources

	1990	1991	1992
Total number of employees	240	210	200

For its applications and development software services, the company uses an IBM mainframe under MVS, with CICS, PL1 and DB2.

Company Strategic Direction

The key orientations are stabilization in software packages development and improvements on existing packages.

Details on existing partnership

The company bargains with EDS and IBM for systems integration projects, but they have no existing partnership, as for it is not the GC2I policy.

Overall Evaluation

GC2I does not seem to be a suitable company for a commercial partnership. The origin of this organization, its policy and its working methods make this company an unattractive partner for any computer services company.

COMPANY PROFILE

INFORSUD GROUP

Headquarters

Centre d'Affaires de Rodez-Bourran
12033 Rodez
Tel: (16) 65-67-91-00
Fax: (16) 65-67-91-09

Executive Office

Causse Comtal
12340 Bozouls
Tel: (16) 65-73-88-00
Fax: (16) 65-73-88-80

Company Background

Inforsud was founded in 1969 as a GIE (Groupement d'Intérêt Economique/Grouping of Economic Interest) on the initiative of the Aveyron region's economic players—including Crédit Agricole, mutual benefit interest companies, cooperatives, etc.—who pooled their information systems resources.

Ownership of Inforsud is as follows:

Shareholders:	Percentage
Crédit Agricole:	80
Other founding entities:	20

They have 33 adherent companies (banks, health insurance companies and manufacturing industries).

The group has split into 2 organizations:

- GIE Inforsud: this organization takes charge of the processing services.
- The other company, Inforsud Gestion, operates as a commercial company. It offers products and services in the EDP sector with 4 subsidiaries (ICM, Inforsud Diffusion, Inforsud Atlantique and Manisud), and in printing services (non-computer related activities) with 3 subsidiaries (Merics, Delaprint, Chabrilac). It owns 12 offices in France, plus a foreign subsidiary in Barcelona, Spain.

Key Executives

Name of President: Alain Samy
 Inforsud Managing Director: Claude Trullen
 Inforsud Gestion Managing Director: Philippe Cosset

Financial Analysis

In Millions of French Francs

	1990	1991	Est 1992	
Annual revenues	511.7	580	642	Inforsud Group
Net result	25.5	33.4	N/R	

The revenues are mainly coming from France, despite the 1% generated by the Spanish subsidiary.

Customer Revenues Analysis

By type of services:

GIE Inforsud revenues breakdown is the following:

	1990	1991
• System Operation and FM	145	206
• Professional Services	98.5	104
• Packaged Software	18	14
• Other (turnkey, networks, distribution)	58.5	76
	320 MF	400 MF

The branch Inforsud Gestion has achieved 180 MF of revenue in 1991.

By type of industry sectors:

- 53% bank and finance
- 47% services, industry, mutual insurance, administration

Description of Services Offerings

- Processing services
 - Inforsud processes the transactions of its clients in the banking industry and provides for the processing needs of clients in the health sector. The system operations (FM) are handled on IBM platforms.
- Software products
 - Inforsud develops and markets systems and applications software products designed to run on Bull and IBM. These systems (TP 2000, Sud Cheque) are mostly aimed at banking and accounting companies.

- Also, Inforsud has software that permits automated operations of computer rooms.
- Network services
 - Inforsud provides network services to the banking industry through its EFT and telematics activities (public and professional services).
- Turnkey systems
 - The company packages material, networks and software products to offer standardized solutions to its clients.
- Professional services
 - Project development, maintenance, auditing, consultancy, training and system integration are all part of the Inforsud professional services range.
- Equipment dealership
 - Inforsud, through its subsidiary Inforsud Diffusion, distributes IBM and Bull microcomputers.
- Maintenance services
 - Services are offered for software and hardware (8 million FF in revenues).
- Innovative products
 - Expert systems and smart card engineering
 - Heterogeneous Networks
 - Data Security and Cryptology
- UNIX expertise
 - Software package and software development
 - Inforsud is a RS/6000 Var

Company Resources

The group employs 711 people.

The data center facilities equipment platforms procures 100 Mips, 400 MB, 250 Gigabytes and 3000 terminals connected.

The industry sector analysis shows that 50% of its revenues are derived from the banking sector.

Company Strategic Direction

Key orientations

The company development targets the bank and health insurance sectors and also business management services with:

- Facilities Management
- Software packages

The commercial activity development will go through partnership in France and abroad.

Details on existing partnership

The main partners are IBM and Sema Group. These companies have created a common structure with Inforsud (Exapole company); Exapole aims at consulting, developing and implementing software products in the frame of the Exa project, an information system developed for 10 banks (Caisses Régionales du Crédit Agricole).

Overall Evaluation (rating *)**

Inforsud is looking for one sales partner in Belgium and in other European countries. Such partners should promote and market Inforsud products as will Inforsud do for its partner.

The opportunity exists to evaluate the complementarity between the products issued by Inforsud and those issued by a German computer services partner.

COMPANY PROFILE

SLIGOS

3 Place de la Pyramide Cédex 49
92067 Paris La Défense
Tel: (1) 47-00-90-00
Fax: (1) 47-73-07-63

Company Information

Sligos is a public company, listed on the Regular (continuous) market of the French Bourse since May 1988.

Sligos was created in 1973 when Sliga, a subsidiary of the Crédit Lyonnais, merged with Cegos Informatique, a consultancy firm involved in the management of data processing.

From the start, the group was highly active in the field of computerized fund transfers, even inventing and registering as a trademark the French term "Monetique," which designates the whole sector. A processing center was set up to service the Carte Bleue payment-card network, and by 1981 the group had introduced the first bank/retailer network-switching system. In 1983, Solaic, the largest plastic-card manufacturer in France, was acquired. Since then, Sligos has been instrumental in all of the sector's major transformations, including interconnecting national and international Electronic Funds Transfer (EFT) networks, launching private label card services and initiating a new bank-check guarantee service. The group forged a leading position in the integration and manufacture of IC card systems.

Since 1989, Sligos has concentrated its development outside of France, in Germany, Spain, Italy and the U.K.

Company Background

The shareholders of the company as of December 31, 1991 are:

	Percentage
Crédit Lyonnais:	58.2
Caisse des dépôts et Consignations:	5.8
Via Banque:	6.5
Public:	29.5

Key Executives

Name of the President: Gérard Bauvin
Managing Director: Henri Pascaud
International Sales Director: François Dutray

The organisational structure of Sligos and the list of its major subsidiaries and shareholdings are below:

MAIN SUBSIDIARIES AND SHAREHOLDING (as of December 31, 1991)

SLIGOS				
Professional Services	Banking and card processing services value-added services	Payment media	Micro Computing	Solutions for chartered accountants and small and medium-sized businesses
Sligos CMG Industrie 100%	Penelope 95%	Solaic 100%	CMG 100%	Managix 100%
Maintec 100%	Monemag 57,5%	SATI 100%		
Pink E France 100%	Sertech 100%	Cidel 100%		
Actis Germany 75%	Nexus UK 51%	Satel 100%		
Holl Germany 51%		Roll-Rub Spain 100%		
Ikoss Germany 52%				
Med Informatica Sligos Spain 70%				
O. Dati Espanola Spain 70%				
Procesa-Sligos Spain 100%				
Mersarteam Italy 65%				

Sligos directly holds 31 offices in France.

Financial Analysis

Figures in Millions FF

	1990	1991	Est 1992	
Annual Revenues	2,898	3,211	3,650	Group Consolidation
	1,824	1,749	N/A	Sligos SA
Net result	160.2	170.7	N/A	Group Consolidation
	137	162	N/A	Sligos SA

The company now employs 1,600 people in overseas countries, which accounted for approximately 15% of overall turnover in 1991.

Foreign sales to date have been generated largely by Sligos expertise in the electronic fund-transfer sector. Recent international projects include consulting, system engineering, integration of smart-card technology into existing networks, and supply of plastic cards in Europe, the Middle East and Africa.

The revenue achieved through its German subsidiaries contributed to over 700 million FF in 1991 (25% of the total European revenue).

Customer Revenues Analysis

By type of activity or delivery modes at year-end 1991

- Monetics 30.3%
- Professional Services 33.6%
- Network Services 6.3%
- Micro Computer VAR 11%
- Accounting (IBM/OS2) 8%
- Payment media 10.8%

By major country worldwide

- > 700 MF in Germany
- 100 MF in the U.K.
- 200 MF in Spain
- 200 MF in Italy

By type of industry sectors covered

- Banking and Finance 63%
- Manufacturing 22%
- Distribution 5%
- Other sectors 10%

Description of Services Offerings

- Professional services
 - The offer includes consultancy, training, software development and maintenance, application management and also system integration projects.
- Processing and SO
 - Processing and system operations and Facilities Management in Monetics only.
- Software products
 - Banking management software packages in Spain, Germany and Eastern Europe under AS/400 environment.
 - In manufacturing sector, just-in-time package for automotive industry under AS/400 and Unix.
- Innovative products
 - CASE development (Italy)
 - Fraud control, memory cards (France, Germany)
- UNIX expertise
 - Full expertise in France, Spain and Germany (all types of Unix)
- Other
 - All competences in the memory card business. EDI and VANs in banking and monetics (banking telecollection, transaction systems and control).

Company Resources

	1990	1991
Total number of employees	4,986	5,421

Company Strategic Direction

The management strategy is continuing to be focused on consolidating leading French and European positions for each of the group's complementary sectors of operations.

In addition, Sligos wants to enhance its monetics activity in Spain and in Germany.

Providing computer solutions for small/medium-sized companies are also expected to assure expansion in France, while in other European countries Sligos is focusing on the market for internal corporate networks and servers as well as information systems for large companies and administrations.

Moreover, Sligos is endeavoring to reinforce its systems integration activity.

Details on existing partnership

The partnership policy is based on products and services complementarity that is very similar to the policy led by other computer services companies (Sopra, Steria).

Agreements exist with:

- Dutch Telekom in Germany,
- All computer manufacturers that are supplying computers to Sligos (IBM, Digital),
- Technical and commercial cooperation with a few customers.

Overall Evaluation

Sligos executives are already in discussion with Alldata for partnership. No precision was brought to the continuing discussions.

COMPANY PROFILE

SOPRA

Headquarters

Les Glaisins
74940 Annecy

Tel: (16) 50-33-30-30

Fax: (16) 50-33-30-31

Direction of Operations

3 rue Lauriston
75116 Paris

Tel: (1) 40-67-29-29

Company Information

Sopra is one of France's top 20 computer services companies. Founded in 1968, this private company (now quoted on the French stock exchange's secondary market) has reached 766 MF in 1991.

Especially strong in professional services, Sopra has built specific skills in banking, production, management, distribution, automation, assets management, medical analysis laboratories, technical conversions, computer methods, payroll and personnel management.

Recently, Sopra has extended its activity abroad by acquiring small foreign companies and setting up subsidiaries such as:

- Netsys (Systems Software Packages for file transfert)
- Sopra Systèmes (IBM38 and AS/400),
- Arobasque,
- FBIO,
- Sirce,
- Computer et Services,
- RIS,
- Sopra Suisse (Geneva, Lausanne, Zurich),
- Sopra Bull Espagne (Madrid, Barcelona, Bilbao).

Company Background

Name of holding cie: Sopra GMT (Mr. Pasquier 50% and Mr. Odin 50%)
Shareholders: P. Pasquier and F. Odin (71%) Public (24%) Employees (5%)

Number of offices in France: 14

Key Executives

Name of President: Pierre Pasquier
 Managing Director: Jean Mounet
 Business Development Director: Thierry Heidet

Financial Analysis

Consolidated figures in millions FF

	1990	1991	Est 1992
Annual Revenues	637	766	800
Net result	28.1	35.9	40

Customer Revenues Analysis

By type of activity or delivery modes

- Services and engineering 71% (1991)
- Software Packages > 29% (1991), 30-35% estimated in 1992

By major country worldwide

- Domestic : 92,3% (1991)
- Abroad : 7,7% (1991), > 10% estimated in 1992

By type of industry sectors covered

- Bank 38%
- Manufacturing Industry 23%
- Services and Distribution 22%
- Administration and Government 17%

Description of Services Offerings

- Professional services
 - Software development and applications maintenance
- Processing and SO
 - Remote services and service bureau
- Coverage of bank, finance and services sectors
 - Bafi package (300 banks) that generated 220 MF in 1991 and professional services.
- Software products
 - In health sector: Aruna, Apix, Gema (Health Sector), C.Lam. for medical laboratories

- R  gle de jeu (a data flow management software)
- Human Resources management,
- Ikos and Alta  x (Real Estate Sector),
- UNIX expertise
 - Sopra has very large competences in the Unix world, including a dedicated subsidiary RIS Technologies (Revenue: 13 MF, Net result: 2 MF) specialized in Unix developments.

Company Resources

	1990	1991	1992
Total number of employees	1,250	1,450	1,550

Data center facilities

The company has no platform dedicated to FM, but Bull DPS7, VAX and AS/400 computers are used for processing services.

Company Strategic Direction

Key orientations

- Consulting, network expertise, engineering
- Systems Integration and software packages in bank, industry and health sectors

Details on existing partnership

All the partnership agreements consist of specific agreements on one customer or one product. Sopra has no general agreement with any competitor or customer group. For instance, they have an agreement with Datalogics, an american company. The partnership consists of distributing in Datalogics software packages to the discrete manufacturing industry (chemistry, glass, paper, ...) in France.

Overall Evaluation

Rating of company's interest to find a new partner

Sopra has a very good and professional image in the computer service world. Their development strategy is as follows:

- No general agreement with a computer service company (in France or abroad),

- Specific agreements possible for punctual bids (for one customer), or for one product to target a specific sector. These agreements are treated in a complementarity objective.
- Looking for opportunity in capitalistic agreements with companies not operating in the same sectors or having the similar products.

COMPANY PROFILE

STERIA

12 rue Paul Dautier
78140 Vélizy Villacoublay
Tel: (1) 34-88-60-00
Fax: (1) 34-88-62-62

Company Information

Steria was founded in 1969. It is an international computer research, design and development group operating in the fields of data bases, networks, telecommunications, telematics (videotex), software products, expert systems, computer-aided design and commercial application areas (management, production, personnel, finance, communication). Steria operates in France, Germany, Belgium, Spain and Switzerland within the following industry sectors:

- Banking and securities
- Public administration and public services
- Industry and transportation
- Defense and aerospace
- Insurance and other service industries.

The French and foreign subsidiaries are listed below:

- Steria Bourse
- IAI
- SCOD
- Rebus Lan Partner
- Ceta
- Steria SBS, Steria Exploitation
- Jade Informatique,
- Cort Consultants, Cort Sotratec
- Steria Sulinsa (Barcelona)
- Steria GmbH (Darmstadt, Frankfurt)
- Steria Informat AG (Geneva)
- Steria NV (Brussels)
- Steria Al Khaleej (Riyadh)

Company Background

Steria is a private company held by:

	Percentage
Sofiria:	61.5
Soderi:	4
Groupe Crédit Lyonnais:	28.4
Individuals:	6.1

They have 13 offices in France (subsidiaries offices not included).

Key Executives

Name of President: The former president (now retired) was Mr. Carteron
 As of January 1993, the president is Mr. Gautier
 CEO: J.C. Narconti (Directeur Général Adjoint)
 Marketing or Business Development Director: Yves Rouilly
 International Sales Director: Mr. Gautier

Financial Analysis

Figures in Millions FF

	1990	1991	Est 1992
Annual Revenues	911	1,020	not available
Net Result	20	13	" "

Customer Revenues Analysis

By type of activity or delivery modes

• Consultancy	10%
• System Software and Application Software Products	20%
• Systems Engineering and Systems Integration	42%
• Professional Services	28%

By major country worldwide

• Paris Area	49%
• French Regions	30%
• Europe	14%
• Other	7%

By type of industry sectors covered

- Banking 22%
- Governmental Institutions 30%
- Manufacturing and Transport 32%
- Defense and space 16%

Description of Services Offerings

- Professional services mainly consist of:
 - Software Engineering (including large project development)
 - Systems Integration
- Processing and SO
 - The company has no processing activities except through Steria Exploitation for facilities management of large projects.
- Coverage of bank, finance and services sectors
 - Consultancy, assistance, turnkey systems, BAFI package (Stebafi) and a lot of package softwares for banking:
 - Stachem, messages exchange communication system for banks
 - Stobi, Stage packages,
 - Stegab, EPT management system
- Software products
 - For Manufacturing Industry (CAD, Production Management, CIM) with Marvis and IBM products (MAPICS, COPICS).
 - Steria has also packages in health insurance services and Real Estate Sectors.
- Innovative products
 - Some innovative products have been developed for:
 - CASE applications (Cariatides) and for telematics applications (VIDEOPAC)
- UNIX expertise
 - The company declares to hold strong competences in Unix world.

Company Resources

	1990	1991	1992
Total number of employees	2,000	2,100	-

They have no dedicated data center facilities except for specific customers requiring systems operations by Steria Exploitation through their own centers.

Company Strategic Direction

Key Orientations

- Large European projects as a premium contractor. In order to achieve this objective, Steria wants to extend its range of products and services.
- Internal growth and acquisition of competences in specific sectors (Transport).

Details on Existing Partnership

Steria has developed partnership with all the computer manufacturers with whom they want to work and with several large customer groups. Their main partners are:

- BSGI Cie: Partnership with Bull in Case consultancy (51% share)
- ISTHME: Partnership with IBM in Telematics (51% share)
- B2S: Partnership with Bull and Sligos in Applications Maintenance (24,5% share)
- "GIE Cartes bancaires": partnership with other services companies for monetics
- Unix System Technologies: Partnership with USL (49%)
Also existing are long way partnerships with large customers such as:
- Aerospatiale and MBB (10 years),
- France Telecom in Videotex applications and CASE project (Fregate),
- Direction Générale de l'Armement for CASE project.

Overall Evaluation

Rating of the company's interest to find a new partner:

The executive is open-minded for a partnership with a German company (rating **).

COMPANY PROFILE

GETRONICS NV

Donauweg 10
1043 AJ Amsterdam
The Netherlands
Tel: +31 20 586 1412
Fax: +31 20 586 1568

Company Information

Getronics aims to supply a complete range of services related to systems integration. The Getronics Group is divided into three areas:

- Maintenance and Installation
- Products and Systems
- Services & Consulting

In particular, the Services & Consultancy unit offers IS consulting, software development and outsourcing services.

Key Executives

Chairman: A.H.J. Risseeuw
Deputy Chairman: P.K. van Voorst
Corporate Development Manager: Oswald Coene

Financial Analysis

Figures in dfl millions

	1989	1990	1991
Annual Revenues	594.7	660.4	827.5
Profit after Tax	41.0	46.8	54.0

Customer Revenues Analysis

By type of activity or delivery modes

- Maintenance & installation 30%
- Products & systems 38%
- Software services & consultancy 32%

By major country worldwide

- Netherlands 81%
- Rest of Europe 19%
- Outside the Netherlands, the company's main activities are in Belgium and Spain

By type of industry sectors covered

- The company's software services and consultancy activities are concentrated on the banking, insurance, trade, government, and service sectors.

Description of Service Offerings

- Professional services
 - Getronics Software Services and Consultancy unit provides IS consultancy and software development services.
- Processing and SO
 - The company provides disaster recovery and outsourcing services.

Company Resources

Total number of employees (1991): 3240
Data centre facilities: to be determined

Company Strategic Direction

Key Orientations

- The company is increasing its emphasis on its services and consulting sector
- Outsourcing services
- Greater industry-specific emphasis

Overall Evaluation

Getronics would be interested in a partnership.

Alldata's emphasis on outsourcing and industry specific specialisation complements thier strategic plan.

INPUT RATING: *

COMPANY PROFILE

ACT GROUP PLC

ACT House
111 Hagley Road
Edgbaston
Birmingham B16 8LB
United Kingdom
Tel: 44 21 456 1234
Fax: 44 21 445 8427

The ACT Group is organised in six business divisions:

- ACT Logsys Ltd.
- ACT Financial Systems Ltd.
- ACT Kindle Ltd.
- ACT Medisys Ltd.
- ACT Cablestream Ltd.
- ACT Computer Support Ltd.

In recent years, ACT has developed a strong specialism in the supply of application software products for the banking and finance sector. It has supplemented its own product base with the acquisition of Quotient—now part of ACT Financial Systems—and Kindle. The company also has a strong professional services group—ACT Logsys—principally targeting the public sector.

Company Background

The interests in 3% or more of the Ordinary Shares of the Company of which the Directors were aware on 10th June 1992 were:

	Percentage
Singer & Friedlander Group Plc:	14.37
Schroder Investment Management Limited:	7.79
Fidelity Investments:	6.08
M.A. Kilduff Esq.:	4.52
Scottish Amicable Life Assurance Society:	3.86

Key Executives

Chairman: Roger Foster
Group Managing Director: Mike Hart
Group Commercial Director: Peter Oldershaw

Financial Analysis

Consolidated Figures In £ Millions

	1987	1988	1989	1990	1991	1992
Revenue	71.2	85.1	105.8	140.7	*98.8	119.4
Profit after Taxes	2.8	3.6	3.0	3.7	8.9	12.3

* The decrease in turnover is attributed to the sale of Apricot Computer hardware Division which was sold in 1990 for £39 million.

Customer Revenues Analysis

By type of activity or delivery mode

- Software products and associated services 46% (1992)
- Systems integration & Support Systems 54% (1992)

By major country worldwide

- United Kingdom 85%
- Rest of Europe 9%
- Rest of World 6%

By type of industry sectors covered

- Banking & Finance 40%
- Insurance 6%
- National & local government 24%
- Healthcare 12%
- Other 18%

Description of Service Offerings

- Professional services
 - has product focus in banking & finance sector
 - has strong professional services/SI focus in public sector
- Processing & SO
 - recently acquired NMW Computers plc—a supplier of bureau services to the financial community
- Software products

The company's products for the financial sector include:

 - QUASAR - investment management software
 - Citydesk - accessing market data
 - CMARK - from Quotient
 - Quotient Limits - credit risk and exposure management.

ACT Kindle's products include:

- BANKMASTER - international banking system
- BRANCHPOWER - branch automation system.

- Unix expertise
ACT Financial Systems has an open systems technical strategy, with systems operating on a wide range of hardware platforms.

Company Resources

Total number of employees: 2000 (1992)

Data centre facilities: ACT has recently acquired NMW Computers plc - a supplier of bureau services to the financial community.

Company Strategic Direction

Key orientations

- Application software products for banking sector
- Finance, healthcare, and public sectors.

Overall Evaluation

Rating of company's interest to find a new partner: Medium-High.

The ACT Group has a number of virtues which commend it as a partner namely:

- An extensive range of application software products for the banking sector
- A high level of commitment to application software product development and the open systems environment
- A high level of professional services capability.
- Systems operations capability.

However the following reservations also apply:

- A strong bias in favour of packaged software over professional services within the ACT Financial Services subsidiary.
- The suitability of the company's data centre capability remains to be determined.
- Company has own products for insurance sector.

INPUT rating: **

COMPANY PROFILE

THE BIS GROUP

20 Upper Ground
London SE1 9PN
Tel: +44 81 543 5353
Fax: +44 71 261 0145

Company Information

Subsidiaries

BIS STRATEGIC DECISIONS
BIS INFORMATION SYSTEMS
BIS BANKING SYSTEMS
BRANN DIRECT MARKETING

Company Background

Name of parent company: NYNEX

The BIS Group has its origins in a single company set up in the United Kingdom in 1964. In 1987, the BIS Group became part of NYNEX Corporation.

Key Executives

Chairman & Chief Executive: Roger Graham
Chief Operating Officer: Mike Gordon
Executive Chairman of BIS Banking Systems: Mike Gordon
Head of BIS Information Systems: John Jarvis

Financial Analysis

Five-Year Financial Summary (Fye 31-12) (£ Millions)

	1986	1987	1988	1989	1990
Revenues	56.2	68.1	83.6	105.6	124.3
Profit after Taxes				4.8	1.7

Customer Revenues Analysis

1990 Market Analysis By Division (£ Millions)

Division	Revenue	Percent
Banking Systems	51.0	41
Information Systems	32.7	26
Marketing Communications	23.5	19
Strategic Decisions	17.1	14
Total	124.3	100

1990 Market Analysis By BIS Group Reported Activity (£ Million)

Activity	Revenue	Percent
Consulting	38.0	30
Solutions	58.0	47
Operations	28.3	23
Total	124.3	100

1990 Market Analysis By Industry Sector (BIS Group Classification) (£ Millions)

Industry Sector	Revenue	Percent
Banking	62.8	50
Insurance and Finance	5.7	4
Electronics	8.6	7
Manufacturing and Processing	13.7	11
Distribution and Services	12.0	10
Government and Utilities	16.9	14
Other	4.6	4
Total	124.3	100

1990 Market Analysis By Geographic Area (£ Millions)

Geographic Area	Revenue	Percent
U. K.	68.1	55
Rest of Europe	22.5	18
Americas	14.6	12
Asia	11.96	10
Australasia	6.1	5
Africa	1.1	<1
total	124.3	100

Description of Service Offerings

- Professional Services
 - BIS has a strong professional services capability within BIS Information Systems.
- Processing & SO
 - BIS purchased the specialist outsourcing vendor Perthcrest in 1990 as the basis for its systems operations activities in Europe. Perthcrest specialised in targeting the local government sector in the United Kingdom and was largely limited to ICL equipment platforms.
 - BIS' systems operations division has also supplemented Perthcrest's expertise with increased emphasis on private sector outsourcing and the acquisition of an IBM mainframe data centre from John Laing.
- Software Products
 - BIS Banking Systems supplies application software systems to the international banking, insurance and investment management industries. Such systems incorporate consultancy, installation, maintenance, training and development services. BIS also supplies security systems.
 - BIS Group products include:
 - BIS Midas - international banking system installed in more than 800 sites worldwide
 - BIS Fundmaster - investment management system
 - BIS Retail Plus - retail banking customer database manager
 - DR-One - dealing room information delivery system
 - BIS Leo - import/export trade finance
 - BIS Cats - credit application transfer system
 - BIS FINCOS - financial management system
 - BIS MANCOS - manufacturing and production manager
 - NX 2000 - open systems manufacturing and production manager
 - Ambassador - distribution management.
- Unix expertise
 - BIS Midas was initially implemented on IBM AS/400, and is being transferred to an open systems environment.

Company Resources

The BIS Group employed 2,100 staff at year end 1991.
BIS now has three main data centres:

- One in Cambridge with ICL mainframe capability
- One in London with IBM mainframe capability
- One dual-site AS/400 data centre in London.

These key control centres are attached to a further ten satellite centres.
The breakdown of BIS' outsourcing revenues by equipment platform is:

1992 Revenues By Equipment Platform

Equipment Platform	Proportion Of Outsourcing Revenues (%)
IBM mainframe	60
ICL mainframe	30
Bull and midrange	10
Total	100

Source: INPUT

Company Strategic Direction

BIS Banking Systems is a major international supplier of systems solutions in the banking sector. They will continue to evolve the function and the technology of their application products. Following their plans and the evolution of the capacity of the AS/400 and the PC (and Unix boxes) BIS will seek more projects for delivery at the larger sites. They are developing the total service approach with an increasing number of cases where they offer a wide set of products and services to meet the need.

BIS Information Systems is aiming for closer links between its systems development (professional services) activities and its outsourcing services to offer full-service capability to clients.

It appears that NYNEX is reviewing their strategy as how best to exploit its investments in systems companies. Now is a time when some of these units may be available for acquisition or long term corporate partnerships.

Overall Evaluation

Level of company interest in finding new partner - unknown.
The BIS Group's strengths as a potential partner include:

- Established application software product portfolio for the banking sector

- One of the market leaders in sales of application software products to the banking sector
- Presence of professional services and systems operations capabilities within the group.

Possible disadvantages include:

- The separation of the subsidiary marketing banking software from that offering professional services and systems operations services
- The company's lack of established presence in marketing systems operations to the banking sector
- Uncertainty as to the security of BIS' long-term future within NYNEX
- The age of the group's MIDAS product range and its suitability for a UNIX environment.

INPUT RATING: * - **

COMPANY PROFILE

DATA SCIENCES LIMITED

Pinehurst House
Farnborough Road
Farnborough
Hampshire
GU14 7NB

Telephone: +44 252 544321

Fax: +44 252 546712

Company Background

Data Sciences was formed as a result of a management buy-out from THORN EMI plc who retain a significant minority shareholding. Prior to the buy-out in July 1991, the organisation was known as THORN EMI Software.

The business acquired had traded successfully for over 20 years and in the year to 31 March 1991 had combined revenues of £117 million and employed over 1,800 staff in the United Kingdom, Netherlands and Germany.

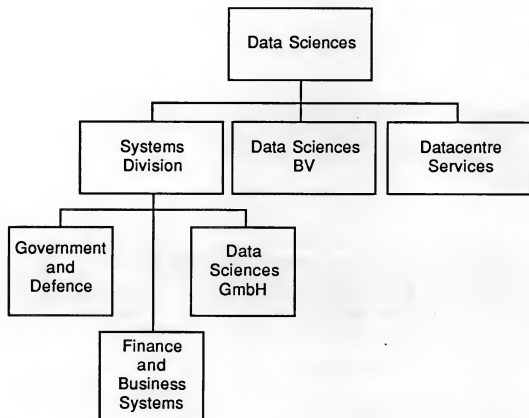
Ownership of the ordinary share capital is as follows:

CIN Venture Managers Ltd (CINVEN) 64%
THORN EMI plc 20%
Directors and Staff 16%

Key Executives

Chairman & Chief Executive: Mike Smith
Corporate Development Director: Mel Bass
Marketing Director: Bill Ellis

Divisional Organisation Chart Data Sciences



The divisional managing directors are:
Finance & Business Systems: Christopher Birks
Government and Defence: Oliver Smith
Data Sciences GmbH: John Palfreyman
Data Sciences BV: Crispin Shaw
Datacentre Services: Ian Taylor

Financial Analysis

Five-Year Financial Summary (Fye 31-3)(£M)

	1987	1988	1989	1990	1991
Revenue	94	112	123	130	117
Pre-tax Profits	N/A	N/A	N/A	N/A	6.2

Customer Revenues Analysis

Revenue Breakdown By Industry, 1991
Data Sciences, Europe

Sector	Revenues (£M)	Percent
Defence & Aerospace	38	32.7
Industry/Manufacturing	29	24.9
Commercial/Retail	25	20.8
Finance	17	14.6
Government	6	5.3
Other	2	1.7
Total	117	100

Source: Data Sciences

Revenue Breakdown By Country, 1991

Country	Revenues (£M)	Percent
U.K.	90	77
Germany	17	15
Netherlands	10	8
total	117	100

Source: INPUT estimate

Market Analysis By Delivery Mode, 1991
Data Sciences, Europe

Delivery Mode	Revenue	Percent (£M)
Processing Services	10	9
Network Services	2	2
Application Software Products	10	9
Professional Services	30	25
Turnkey Systems	10	9
Systems Operations	40	34
Systems Integration	15	12
Total	117	100

Description of Services Offerings

Data Sciences concentrates specifically on two service types: systems integration and outsourcing.

Within the systems integration arena, Data Sciences perceives its core competencies to be its software development culture and its project management expertise built up over twenty years of managing complex projects.

In the Banking & Finance sector, the company's efforts are supported by a range of application software products.

Principal Application Software Products Data Sciences, Banking & Finance

Product	Description
VALUTA-IDS	Integrated dealing room system
THREADS	Unit Trust management administration system
COLT	SECURITIES DEALING SYSTEM
POSTS	Settlement system for securities and related tracking
ACTION 2000	Credit card and merchant accounting, financial, switching, ATM management and card issue
CFRS	Consolidated financial reporting system
SPOT	Automatic settlement of foreign payment transactions

At present 83% of Data Sciences' overall revenues are derived in the UK. Outside the UK, the company has subsidiaries in the Netherlands and Germany. Systems integration is a particular strength of the Dutch subsidiary, which has strengths in manufacturing systems, financial applications, and command and control systems. The German subsidiary of Data Sciences is designated as a centre of excellence in finance and banking systems. It also focuses on automotive products and process control applications within the motor and electronics industries.

Data Sciences estimates its outsourcing revenues to be approximately \$75 million from a client base of 50 customers. Traditionally the majority of the company's outstanding revenues have come from mainframe-based platform operating contracts. However, the company has recently won a number of contracts involving the management of more distributed architectures.

The company has also been successful in targeting the broadcasting sector and had outsourcing contracts with Thames TV and Television South.

Company Resources

Number of Employees: 1950

Data Centre Facilities:

On the service delivery side, Data Sciences employs approximately 400 personnel. The profile of the company's data centres is:

Data Centre Profile—Data Sciences

- 4 Major Data Centres based around London
- Thorn Lighting - 5 sites
- Other clients - 4 sites

Company Strategic Direction

The management buy-out of Data Sciences from Thorn EMI in 1991 is intended to give the management of the company the freedom of manoeuvre and opportunity to develop the business into one of the major European computing service companies.

This will require substantial development of Data Sciences activities outside the UK, and there is a need for a substantial acquisition/partnership programme if the company is to achieve its objective.

The company's overall target sectors are financial services, retail, defence and aerospace and the public sector.

Although its activities are currently primarily concentrated in the United Kingdom, Data Sciences' mission is to become one of the European leaders in:

- Systems integration
- Outsourcing (systems operations)
- Technical consultancy

Some of the immediate challenges facing Data Sciences are the need to extend its geographic coverage in Europe, the necessity to ensure the company's ongoing price competitiveness in platform operations, and the desirability of continuing to extend the company's industry/business consultancy capability.

In terms of services, the company's strategy is based on two core capabilities - systems integration and systems operations. Data Sciences' systems integration activities are supported by its knowledge of its target industry sectors and by its development of kernels which provide a range of building blocks of these sectors. The company is one of the market leaders in both systems integration and systems operations in the UK.

Overall Evaluation

Data Sciences is interested in finding a new partner.

The main points in favour of Data Sciences are:

- Strong professional services/SI capabilities
- Strong systems operations capabilities
- Experience in additional service sectors such as broadcasting
- The presence of a portfolio of application software products for the banking sector.

Against these need to be taken into account.

- The company's possible desire to be acquired in the future
- A questionable commitment to the ongoing development of banking sector products
- The platforms on which the current banking sector products are available eg. Tandem & Stratus.

INPUT Rating: **

COMPANY PROFILE

LOGICA PLC

68 Newman Street
London W1A 4SE
Tel: 44 71 637 9111
Fax: 44 71 637 8229

Logica has a long history of implementing large professional services projects and has considerable expertise in software development methodologies and project management.

The company also has considerable technical computing expertise from which it has built positions of strengths in the space, telecommunications, energy, and utilities sectors. In the commercial sphere, though influenced considerably by the company's telecommunications expertise and product portfolio, Logica has built up a strong position in the finance sector.

Company Background

The following shareholders are interested in 3% or more of the company's share capital:

Shareholders:	Percentage
CIN Venture Nominees Ltd:	6.56
Morgan Grenfell Group plc:	5.28
Barclays Bank plc (non-beneficial):	4.99
Foreign & Colonial Investment Management Limited:	4.18
Commercial Union plc and its subsidiaries:	3.11
British Airways Pension Fund:	3.03
Abbey Life Investment Services Ltd:	3.02

Key Executives

Non-executive Chairman: Paul Bosonnet
Managing Director & Chief Executive: David Mann
Duncan Craig: responsible for wholly owned subsidiaries in continental Europe
Andrew Karney: corporate development, responsible for co-ordination of international business development activities
Colin Rowland: responsible for international operations.

Financial Analysis

Consolidated Figures In £ Millions

	1988	1989	1990	1991	1992
Revenues	135.6	173.5	190.8	197.8	200.4
Profit after Tax	9.3	11.7	3.6	(5.2)	4.2

Customer Revenue Analysis

By type of activity or delivery modes

- Custom built systems 68%
- Consultancy 20%
- Software products/kernels 12%

By major country worldwide

- United Kingdom 53%
- Continental Europe 26%
- North America 10%
- Asia Pacific 11%

By type of industry sectors covered

- Finance 27%
- Government 16%
- Energy & Utilities 12%
- Defence 11%
- Other 34%

Description of Service Offerings

- Professional Services
 - Logica has a very strong professional service capability.
 - The banking and finance sector is the largest and most international of Logica's defined market sectors. Logica recognises the growing importance of product and kernel based solutions to optimise cost-effectiveness and delivery times for projects in the sector and the company's product range now includes offerings for information distribution, financial message switching and communications, payments platforms, treasury, dealing and transaction processing applications.
- Processing & SO
 - No SO services are offered.

- **Software Products**

- Logica recognises the role of software products and kernels in supporting its systems integration activity and the company's software product portfolio includes:
 - ON/2, a financial transaction processing system
 - BESS, a modular global funds transfer system
 - FASTWIRE, communications product
 - an X.400 product being developed in conjunction with Tandem
 - Logica Transaction Director for interconnection of applications across differing hardware platforms
 - Storenet/2, and EPOS networking product
 - MASTER CONTROL 2000 for operational pipeline management
 - ENDS, for electrical utilities
 - TRACE, a personnel movements tracking product used by oil companies
 - CARDS, for Manpower planning and colliery management
 - GALLERY 2000, a stills library management system
 - PLAYOUT 8000, for the automation of station output on behalf of broadcasters.

Company Resources

Total number of employees (1992): 3,374

Data centre facilities: None

Company Strategic Direction

Key Orientations

- Professional services, client partnerships
- Telecommunications, advanced technologies
- Finance & utilities sectors.

Details on existing partnerships

Examples of existing partnerships are:

- Logica General Systems' joint venture with Dun & Bradstreet to distribute the latter's application software products in Italy.
- Collaboration with BAe in space projects such as the Polar Platform.
- Logica's work with equipment manufacturers such as IBM, Tandem, and Hitachi in developing software products.
- Marketing rights for the Teknekron Trading System, an integrated dealing room system.
- A co-operative business agreement with Yorkshire Water.
- the approved industrial systems integrator relationship with IBM UK, where Logica is believed to have been involved in the initial implementation of the POMS product in the process manufacturing sector.
- Joint development with IBM on its DataTrade product in support of financial dealing rooms.
- Speedwing, a joint venture with British Airways.
- Logica General Systems SpA *a joint venture company with Data Management SpA, a member of the Finsiel group*

Overall Evaluation

So far Logica only exhibits a comparatively low interest in finding a new partner. Logica is likely to have been an acquisition target over the past few years for organizations such as BT, ICL and EDS. Discussions may be on-going with other potential partners.

Logica's strengths as a potential partner are:

- Strong presence in the banking and finance sector
- Strong overall professional services capabilities
- Established presence in Southern Europe (Italy).

The company's weaknesses are:

- Lack of systems operations capability combined with apparent reluctance to enter this market.
- A technical rather than commercial emphasis in its service lines.

INPUT RATING: *